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# Commercial Floriculture: A High Value Enterprise

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**ABSTRACT**

The Study conducted in Dharmapuri District on Floriculture revealed that a good profit was the major facilitator followed by earning money daily for flower cultivation. Flowers like Rose, Chrysanthemum, Gladiolus, Tuberrose, Crossandra, foliage filler crops like asparagus, cut flowers varieties are largely under cultivation. Labour scarcity, lack of water and continuous care were emerged as major constraints in cultivation. Direct sale to flower point at Bangalore to flower agents of near by towns and evening markets were the major mode of flower disposal. Insufficient market knowledge, lack of institutional finance, price fluctuation and lack of storage facilities were the constraints in marketing of flowers as stated by the respendents.

**Key words :** Commercial, Floriculture, Value enterprise.

Floriculture is a fast emerging and highly competitive industry. With the continuous introduction of new cultivars and new crops, cultural techniques are changing and hence new products are developing. Ornamental crop culture technology is improving with the availability of equipment and there is a sea change in the trend of consumers. A new generation of growers is coming forward to employ modern technology for maximizing production and offer quality produce for consumer acceptability, thus fetching a better price. It has emerged as a lucrative profession with the much higher potential for returns compared to other agri-horticultural crops. The science and art of commercial floriculture has been recognized as an economic activity with the potential for generating employment and earning valuable foreign exchange. In several countries of the world, floricultural products are amongst the main export items of agricultural origin. For any country to diversify its agricultural base geared towards export, the ornamental crop industry presents one of the most interesting and viable options. The aesthetic value of flowers and ornamental plants, their use in social events, overall satisfaction in working with them and high income generating power are attracting modern entrepreneurs to invest money in the floriculture industry. The demand for flowers and ornamental plants for different needs like religious, official ceremonies, parties, house decoration, weddings, funerals, etc, is on the rise. This demand for fresh flowers and plants is increasing world-wide over the coming years.

The recent liberalization policy of the Government of India has given Phillip to commercialized agriculture particularly horticultural crops. Growing of flowers is in vogue in India since long time. Neverthless, growing of cut-flowers has emerged as an important industry mainly to cater to the needs of the demand in the overseas market. It is being viewed as a high growth industry in our economy. There is a tremendous transformation in our floriculture sector mainly due to the entry of corporates who are producing cut-flowers to meet the emerging demand in the developed countries for floricultural products. The Government of India has also identified floriculture as a niche area with vast potential for export. There are many incentives given by the Government for setting up of floricultural units as **Export oriented units (EOUs).**

## International Scenario and Trade

About 305,105 ha area was under flower production in different countries of the world, of which the total area in Europe was 44,444 ha, North America 22,388 ha, Asia and Pacific 215,386 ha, the middle East and Africa 2,282 ha and central and South Africa 17,605 ha. Flowers grown under protected greenhouses in different countries around

the world total 46,008 ha. India has the maximum area under ornamental crops (88,600 ha) followed by China (59,527 ha), Indonesia (34,000 ha), Japan (21,218 ha), USA (16400 ha), Brazil (10285 ha), Taiwan (9.661 ha), The Netherlands (8,017 ha), Italy (7.654 ha), the united Kingdom(6,804 ha), Germany (6,621 ha) and Colombia (4,757 ha).Globally more than 145 countries are involved in the cultivation of ornamental crops and the area under these crops is increasing steadily. The production of flower crops has increased significantly and there is a huge demand for floricultural products in the world, resulting in growing International Flower Trade.

The world consumption of cut flowers and plants is increasing and there is a steady annual increase of 10 to 15 per cent in all importing countries. Due to globalization and its effect on income, there is growing per capita floriculture consumption in most of the countries. In case of developed countries, the consumption of flowers is closely linked with GNP per capita income and urban population.

**Indian scenario and trade**

India is bestowed with diverse agro-climatic and ecological conditions, which are favourable to grow all types of commercially important flowers generally found in different parts of the world. It also enjoys the best climate in selected pockets for floriculture during winter months. India is in an enviable position to become a leader in the world floricultural trade because of the prevailing congenial location, overall favourable climate of liberalization and globalization and also specific incentives by the government and floricultural development.

Specific and authentic quantitative data are not available for existing production and area under floriculture in India. According to the Horticulture Production year book 2001 of National Horticultural Board, an area of 88,600 ha during 1999-2000 was under floriculture in India with production of 5.09 lakh MT of loose flowers and 680.6 million number of cut flowers. Loose flowers were grown in 73,536 ha of land. (Singhal,V., 2003) Flowers are grown under open cultivation and also under protected cultivation. In the poly houses, mainly roses are grown for export. Other exotic flowers like carnations, gerbera, orchids, lilium and other bulbous flowers are now increasingly produced commercially both for export and domestic market.

Floricultural exports from India during 1997-98 was Rs. 81.20 crore, Rs. 96.60 crore in 1998-99, Rs. 105.15 crore in 1999-2000 and Rs. 190.63 crore in 2000-01. In spite of this increase in India exports, its share in the international flower trade has not increased during 1995 to 2000 and has remained at around 0.35 per cent. The main importing countries of Indian floricultural products in order are The Netherlands, USA, Japan, Germany, Italy, Denmark, Egypt, Singapore, Switzerland, France, Australia, UAE, Belgium and Sri lanka. During the year 1999-2000, Indian floricultural products were exported to 75 different countries.

## MATERIAL AND METHODS

This study was conducted in Harur, Denkanikottai, Krishnagiri and Dharmapuri taluks of Dharmapuri district. A total of 200 flower growers covering all the four taluks were selected through proportionate random sampling method. The data were collected through personal interview as well as Focus Group Discussion.

## RESULTS AND DISCUSSION

The factors facilitated the farmers to go for flower cultivation was enlisted as indicated by the sample during the discussion.

Good profit (70.00%) emerged as a major facilitator and ranked first, closely followed by one can see money daily (60.00%). It is obvious that flower comes to market daily, and the price also varies every day. However it is possible to get money daily. Flower cultivation gives a business out look, easy to carry out the inter cultural operations (46.00%) and it's a pride to the growers involving in flower cultivation were the other facilitating factors. Hence these factors were ranked in the order of their choice by majority of the growers. The preparation of land, planting and the efforts involved in the initial establishment were experienced as hurdles by the farmers and hence easiness in cultivation placed the least rank.

**Types of flowers under cultivation**

Rose, chrysanthemum, Gladiolus, Jasmine sp., Crossandra, Tuberrose are largely grown in the study area. In Dharmapuri and Krishnagiri taluks Jasminum grandiflorum and tuberose are under cultivation in more area where as in Hosur

Table 1. Facilitating factors in flower production.

| S. No | Facilitators | Rank | No. | % |
|---|---|---|---|---|
| 1. | Good profit | I | 140 | 70.00 |
| 2. | Daily one can see money | II | 120 | 60.00 |
| 3. | Gives business outlook | III | 98 | 49.00 |
| 4. | Easy operations | IV | 92 | 46.00 |
| 5. | It's a pride | V | 90 | 45.00 |
| 6. | Easy to grow | VI | 60 | 30.00 |

Table 2. Farmers expenditure and profit in flower cultivation.

| S. No | Flowers | Expenditure/ac (in Rs.) | Net profit /ac (in Rs.) |
|---|---|---|---|
| 1. | Rose | 50,000 | 75,000 |
| 2. | Carnation | 2 lakhs | 1.5 lakhs |
| 3. | Other flowers (Chrysanthemum crossandra & tuberrose) | 60,000 | 75,000 to 1 lakh |

Table 3. Constraints in flower cultivations

| S. No | Constraints | Frequency* | Percentage |
|---|---|---|---|
| 1. | Labour scarcity | 150 | 75.00 |
| 2. | Requires more technical skill | 70 | 35.00 |
| 3. | Requires more managerial skill | 115 | 57.50 |
| 4. | More pest and disease attack | 128 | 64.00 |
| 5. | Lack of water during the critical periods | 154 | 77.00 |
| 6. | Requires more care | 142 | 71.00 |

(*Multiple responses)

and Denkanikottai area, Rose, Chrysanthemum, Gladiolus, Tube rose, Carnation, Crossandra, foliage filler crop like Asparagus and cut flower varieties are largely under cultivation.

With regard to cultivation expenses around Rs. 30,000 to 35,000/acre is required for rose in open irrigation and Rs. 50,000 – 60,000/acre under drip irrigation. The net income may also varies from Rs. 75,000 to 90,000/acre. Vijaykumar and Narayanagowda, (1999) also reported the similar result.

The carnation flowers being cultivated under green house. For the establishment of the green house the initial investment of 7 lakhs is required for 1000 sq. mt area. The green house material has to be replaced once in three years. In two years three crops can be cultivated with the annual net income of Rs. 5 lakhs.

For the cultivation of flowers like chrysanthemum, crossandra, tuberrose, jasmine sp. etc, an amount of 60,000 need to be spent /ac and the net profit would be 75,000 to one lakh.

**Constraints in flower cultivation**

Labour scarcity (75.00%) and lack of water during critical periods (77.00%) were expressed as major constraints by more then two - third of the flower growers. The crop required more

continuous care (77.00%), prone for more pest and disease attack (64.00%), required more managerial skill (57.50%) and technical skill (35.00%) were the other constraints of the growers. In most of the flower growing tracts the growers were engaging mostly school going children for picking of flower from 5 AM to 8.30 AM and afterwards the rural women had been involved and the late picking flowers fetching very low rate in the market.

Demand for labour is highly faced in Agricultural sector especially for field operations and which is the alarming situation including availability of water. During flower bud formation stage water is a critical input and hence it was expressed by majority. Picking of flowers and marketing are the daily routine in flower cultivation and hence the person looking after these works must possess the technical and managerial skills. The proximity of the study areas with Bangalore city enabled the growers for easy marketing of the produce. It was also observed that the flowers used to be collected at the field site itself by the vendors from Bangalore, that's why the constraints on marketing side was cited by none. The results of Chandregowda (1997) is in conformity with the outcome of this study.

**Flower Marketing**

**Mode of flower disposal**

Flower agents of near by town / cities (80.0%) were the major source to which the flowers were sold followed by direct sale to flower points (74.50%) at Bangalore and evening market (70.0%). As most of the growers got advance amount from the agents both at Bangalore and near by towns, necessarily they were to supply the flowers to those agents and hence the said response.

**Reasons for selecting the particular point for sale of flowers:**

The following are the reasons stated by the respondents for adopting the methods stated by them. Because of the selling efficiency, getting advance payment and other growers were also following those methods, the respondents depend on the disposal of flowers to the agents. The agents had provided transport, collecting the flowers in the field itself, which helped them to save money in transport and also time. Thus enable them to concentrate on the management of labourers involved in picking of flowers and other field operations. The other reasons like known for long time, nearness and easy access were also expressed by the sample. The flowers collected after 9 AM could not be sent to Bangalore as those markets concerned with flight timings, they solely depend on local market for late arrivals which also fetching lower rate.

**Perceived constraints in flower marketing**

The following are the perceived constraints experienced by the respondents in marketing of flowers.

Among the constraints, insufficient market knowledge (77.50%) was stated as major, followed by price fluctuation (72%), lack of institutional finance (71%), lack of storate facilities (61%) and inadequate financial support (60%). Farmers were with the opinion that awareness on market avenues for flower is an immediate requirement and they need quick action on this aspect.

Table 4.Mode of flower disposal.

| S. No | Mode of disposal | Frequency* | Percentage |
|---|---|---|---|
| 1. | Direct sale to local flower point | 79 | 39.50 |
| 2. | Direct sale to flower point at Bangalore | 128 | 74.50 |
| 3. | Flower agents near by towns | 160 | 80.00 |
| 4. | Evening market | 140 | 70.00 |

(*Multiple responses)

Table 5.Constraints in marketing.

| S. No | Constraints | Frequency* | Percentage |
|---|---|---|---|
| 1. | Absence of grading | 70 | 35.00 |
| 2. | Lack of storage facilities | 122 | 61.00 |
| 3. | Poor transport facility | 68 | 34.00 |
| 4. | Difficulty in packing | 52 | 26.00 |
| 5. | Too many middle men | 96 | 48.00 |
| 6. | Price fluctuation | 144 | 72.00 |
| 7. | Irregular payments by commission agents | 102 | 51.00 |
| 8. | Inadequate finance | 120 | 60.00 |
| 9. | Lack of institutional finance | 142 | 71.00 |
| 10. | Insufficient market knowledge | 157 | 77.50 |

(*Multiple responses)

Majority of the flower growers facing difficulty in marketing of flowers, if they move for market, the field operations will suffer. Also as it is noticed and reported in several studies on flower, the rate is highly fluctuating in nature. In order to meet the expenditure on and off the field they forced to avail credit from the agents. These were the causes emerged for such an effect on the part of the flower growers. However they agreed with the irregularity of the agents in payment. The intervention of middlemen (48.0%) was also not denied by them despite their bondage with the agents.

**Support needed:**

In order to improve flower production and marketing they require the following support from the government agencies.

- Cold storage facility
- Cooperative organisation for flowers trade
- Credit support
- Field functionaries exclusively for flower cultivation
- Establishment of aromatic industries in the district.

**Problem in cut flower industry**

- Lack of cold storage at airports
- Non-availability of regular flights and lack of air cargo space
- High freight costs
- Delay in plant quarantine
- Customs and other clearances etc.,

**Conclusion**

The study revealed the facilitating factors and constraints faced by the growers in flower production, such as lack of technical skill, insufficient market knowledge and price fluctuation were the major constraints focused by them. Considering the outcome the flower growers may be trained on Hi-tech flower cultivation, packing, grading and marketing. An awareness campaign on market knowledge to be imparted so as to keep them abreast on that area. They also expressed the need for cold storage. Government procurement centre cum aromatic factories are to be established in the district which will help the growers in getting reasonable price which will solve the problem of price fluctuations expressed by them. Based on the great scope and potential for upbringing the production of flowers, steps have been initiated by the administrators and policy makers and declared the Hosur area as **'Flower Export Zone'.**

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